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Attorneys for Defendants
 5 HANDLER, THAYER & DUGGAN, LLC and
 6 THOMAS J. HANDLER, J.D., P.C. (erroneously sued
 herein as THOMAS J. HANDLER, individually)

8 UNITED STATES DISTRICT COURT
 9 FOR THE NORTHERN DISTRICT OF CALIFORNIA

12 GREGORY R. RAIFMAN, individually and as)
 Trustee of the RAIFMAN FAMILY REVOCABLE)
 13 TRUST DATED 7/2/03; SUSAN RAIFMAN,)
 individually and as Trustee of the RAIFMAN)
 14 FAMILY REVOCABLE TRUST DATED 7/2/03;)
 and GEKKO HOLDINGS, LLC, an Alaskan limited)
 15 liability company, dba GEKKO BREEDING AND)
 RACING,)

16 Plaintiffs,)

17 vs.)

18 CLASSICSTAR, LLC, a Utah limited liability)
 19 company; CLASSICSTAR FARMS, LLC, a)
 Kentucky limited liability company; BUFFALO)
 20 RANCH, a business entity form unknown;)
 GEOSTAR CORPORATION, a Delaware)
 21 corporation; S. DAVID PLUMMER; SPENCER D.)
 PLUMMER, III; TONY FERGUSON; THOMAS)
 22 ROBINSON/ JOHN PARROT; HANDLER,)
 THAYER & DUGGAN, LLC, an Illinois limited)
 23 liability company; THOMAS J. HANDLER;)
 KARREN, HENDRIX, STAGG, ALLEN &)
 24 COMPANY, P.C., a Utah professional corporation,)
 f/k/a/ KARREN, HENDRIX &)
 25 ASSOCIATES, P.C., a Utah professional)
 corporation; TERRY L. GREEN; and DOES)
 26 1-1000, inclusive,)

27 Defendants.)

No. C07-2552 MJJ

DECLARATION OF JAMES
 DUGGAN IN SUPPORT OF
 MOTION TO SET ASIDE
 DEFAULT

DATE : 08/28/07
 TIME : 9:30 a.m.
 COURTROOM : 11

1 I, JAMES DUGGAN, declare and state as follows:

2 1. I am an attorney authorized to practice before the courts of the State of Illinois,
3 and I am a named partner in the firm of HANDLER, THAYER & DUGGAN, LLC ("HTD").

4 2. Our firm began representing CLASSICSTAR in 2001, and I have primary
5 responsibility for that client. My areas of practice include providing tax advice to clients. At the
6 request of CLASSICSTAR, HTD prepared a tax opinion which was provided to plaintiff GEKKO
7 in February 2004. This opinion related to the tax treatment available as a result of participation in
8 the CLASSICSTAR Mare Lease Program for the year 2003, and we understood that the plaintiff was
9 already an investor in that program at the time we wrote that opinion.

10 3. HTD stands by the accuracy of the tax opinion. It is very detailed, and it
11 explains precisely what must be done by both the investor and CLASSICSTAR in order to receive
12 the tax treatment outlined. A copy of that opinion is attached hereto as EXHIBIT A.

13 4. If favorable tax treatment is not provided to plaintiffs as participants in the
14 Mare Lease Program, that can only occur if either the plaintiffs or CLASSICSTAR failed to follow
15 the advice set forth in our opinion.

16 I declare under penalty of perjury, under the laws of the State of California, that the
17 foregoing is true and correct. Executed this 22nd day of July, 2007 at Chicago, Illinois.

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20 JAMES DUGGAN
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